



County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

September 30, 2014

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Third District

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To: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

SACRAMENTO UPDATE

Executive Summary

This memorandum contains a report on action taken by Governor Brown on one County-sponsored measure and 13 County-advocacy measures.

- **County-Sponsored Legislation Signed by the Governor**
 - **County-sponsored SB 1089 (Mitchell)** – related to Medi-Cal reimbursements for in-patient hospital services for detained juveniles, was signed by the Governor on September 29, 2014.
- **County-Advocacy Legislation Signed by the Governor**
 - **County-supported AB 2374 (Mansoor)** – related to the death investigations for residents of licensed alcoholism or drug abuse treatment facilities, was signed by the Governor on September 29, 2014.
 - **County-support-and-amend SB 270 (Padilla)** – related to the phase out of single-use plastic bags, was signed by the Governor on September 30, 2014.
 - **County-opposed SB 556 (Padilla)** – related to the display of government agency logos on contractor uniforms, vehicles, and badges, was signed by the Governor on September 29, 2014.
 - **County-supported SB 1341 (Mitchell)** – related to Medi-Cal program records, was signed by the Governor on September 29, 2014.

"To Enrich Lives Through Effective And Caring Service"

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- **County-Advocacy Legislation Vetoed by the Governor**

- **County-supported AB 1450 (Garcia)** – related to voter-approved property tax increments to support pension programs, was vetoed by the Governor on September 29, 2014.
- **County-opposed AB 1881 (Jones-Sawyer)** – related to appointments to the employee relations commissions of the County of Los Angeles and the City of Los Angeles, was vetoed by the Governor on September 29, 2014.
- **County-opposed AB 2052 (Gonzalez)** – related to workers' compensation presumptions, was vetoed by the Governor on September 29, 2014.
- **County-opposed AB 2378 (Perea)** – related to disability payments for peace officers, was vetoed by the Governor on September 29, 2014.
- **County-supported AB 2415 (Ting)** – related to property tax agent registration, was vetoed by the Governor on September 29, 2014.
- **County-opposed AB 2493 (Bloom)** – related to authorizing the use of bonds issued in 2011 by former redevelopment agencies, was vetoed by the Governor on September 29, 2014.
- **County-opposed AB 2616 (Skinner)** – related to presumption of job-related disability benefits, was vetoed by the Governor on September 29, 2014.
- **County-opposed SB 388 (Lieu)** – related interrogation of peace officers, was vetoed by the Governor on September 29, 2014.
- **County-oppose-unless-amended SB 1129 (Steinberg)** – related to changes in the law governing the dissolution of redevelopment agencies, was vetoed by the Governor on September 29, 2014.

County-Sponsored Legislation Signed by Governor Brown

County-sponsored SB 1089 (Mitchell), which as introduced on February 19, 2014, makes technical amendments to **County-sponsored AB 396 of 2011**, which allows counties and the California Department of Corrections and Rehabilitation to draw down Federal Medicaid matching funds to provide reimbursement for the medical treatment of

detained juveniles who require in-patient hospital services, was signed by the Governor on September 29, 2014. This measure becomes effective January 1, 2015.

County-Advocacy Legislation Signed by Governor Brown

County-supported AB 2374 (Mansoor), which as amended on August 22, 2014: 1) requires the California Department of Health Care Services (DHCS) to design its death investigation policy to ensure that the death of a resident of a licensed alcoholism or drug abuse recovery and treatment facility is addressed and investigated by DHCS in a timely manner; 2) specifies the content of required telephonic and written reports of resident deaths occurring in a licensed facility; and 3) prohibits DHCS from approving a certifying organization that does not, prior to registering or certifying an individual, contact other department-approved certifying organizations to determine whether the individual has ever had his or her registration or certification revoked, among other provisions, was signed by the Governor on September 29, 2014. This measure becomes effective January 1, 2015.

County-support-and-amend SB 270 (Padilla), which as amended on August 21, 2014: 1) phases out single-use plastic bags in California grocery stores, convenience stores, liquor stores, and pharmacies by prohibiting them from providing a single-use carryout bag to a customer; 2) prohibits these stores from selling or distributing a recycled paper bag at the point-of-sale unless the store makes that bag available for purchase for not less than ten cents (\$0.10); 3) allows a city, county, or other local public agency that has adopted an ordinance, resolution, regulation, or rule relating to reusable grocery bags, single-use carryout bags, or recycled paper bags before September 1, 2014 to continue to enforce and implement that ordinance; and 4) includes reusable plastic bag standards that are comparable to the County's standards, among other provisions, was signed by the Governor on September 30, 2014.

SB 270 prohibits grocery stores from making single-use carryout bags available at the point of sale on and after January 1, 2015, and prohibits convenience stores or foodmarts from making single-use carryout bags available on or after July 1, 2016.

County-opposed SB 556 (Padilla), which as amended on August 21, 2014, 1) prohibits private entities contracting with a local government agency to provide public health and public safety services from displaying the agency's logo on their uniforms or vehicles, unless the vehicle or uniform conspicuously displays a disclosure to identify them as a contracted service provider; and 2) prohibits a public agency from requiring contract employees to wear a badge containing the agency's logo, was signed by the Governor on September 29, 2014. This measure becomes effective January 1, 2015.

County-supported SB 1341 (Mitchell), which as amended on May 6, 2014: 1) codifies the existing agreement between the Brown Administration, Covered California, and counties regarding the respective roles of the Statewide Automated Welfare System (SAWS) and the California Healthcare Eligibility, Enrollment, and Retention System (CalHEERS); and require SAWS to be the system of record for the Medi-Cal Program and contain all Medi-Cal eligibility rules and case management functionality; and 2) specifies the manner, effective January 1, 2016, in which the functionality to create and send Notices of Action for the Medi-Cal and premium tax credit programs would be implemented, among other provisions, was signed by the Governor on September 29, 2014. This measure becomes effective January 1, 2015.

In a signing message for SB 1341, the Governor noted that much of the functionality of the system is still in development, and that the January 1, 2016 timeframe for executing more changes may be overly ambitious. The Governor indicated that he signed the bill because it codifies an aspirational target that all parts should strive to meet, understanding that these best efforts may take more time. The Governor also noted that in the coming months the Department of Health Care Services will continue to work with counties and Covered California to improve the enrollment and renewal processes for all eligible Medi-Cal beneficiaries.

County-Advocacy Legislation Vetoed by Governor Brown

County-supported AB 1450 (Garcia), which as amended on August 27, 2014, would authorize: 1) a city or county that levies a voter-approved property tax rate to make payments in support of pension programs to request that an oversight board to prohibit these revenues from being deposited into a Redevelopment Property Tax Trust Fund (RPTTF); and 2) an oversight board to deny a city or county's request to prohibit these revenues from being deposited into an RPTTF if there is "substantial evidence" that a former redevelopment agency spent, pledged, or otherwise used these revenues to fund enforceable obligations, was vetoed by the Governor on September 29, 2014.

In his veto message, the Governor noted that the measure would result in a \$20 million fiscal impact to the State and encouraged the author and stakeholders to develop a solution to the issue without impacting State general fund dollars.

County-opposed AB 1881 (Jones-Sawyer), which as amended on March 28, 2014, would prescribe requirements for appointments to the employee relations commissions of the County of Los Angeles and the City of Los Angeles, was vetoed by the Governor on September 29, 2014.

In his veto message, the Governor indicated that signing this bill would be a significant override of local decision making authority and a departure from his belief in subsidiarity. He further noted that these issues should be resolved at the local level.

County-opposed AB 2052 (Gonzalez), which as amended on August 18, 2014, would extend certain workers' compensation presumptions to all employees that fall under the statutory definition of peace officer, was vetoed by the Governor on September 29, 2014.

In his veto message, the Governor noted that this measure seeks to expand coverage to dozens of additional categories of officers without real evidence that these officers confront the hazards that gave rise to the presumptions codified in existing law. He further noted that presumptions should be used rarely and only when justified by clear and convincing scientific evidence.

County-opposed AB 2378 (Perea), which as amended on May 23, 2014, would allow the payment of Labor Code 4850 disability benefits, special leaves of absence without loss of pay benefits to certain peace officers, in addition to the maximum benefits allowed for temporary disability payments, was vetoed by the Governor on September 29, 2014.

In his veto message, the Governor noted that the special considerations supporting salary continuation for public safety employees do not correspondingly support the expectation that these employees will need substantially more time than other injured workers to recover from their injuries.

County-supported AB 2415 (Ting), which as amended on August 21, 2014, would, beginning April 1, 2016, require a property tax agent to register with the Secretary of State before representing a taxpayer before a county official, was vetoed by the Governor on September 29, 2014.

In his veto message, the Governor noted that the real property tax assessment system has worked relatively well over a long period of years, and that while there has been some serious misconduct in a limited number of cases, that does not lay the predicate for yet another registration program.

County-opposed AB 2493 (Bloom), which as amended on August 22, 2014, would: 1) authorize a redevelopment successor agency or housing successor entity to designate the use of, and commit, proceeds from indebtedness that was issued for affordable housing or redevelopment purposes prior to June 28, 2011; and 2) require the proceeds from bonds issued between January 1, 2011 and June 28, 2011, be used

for projects meeting certain criteria established in this bill, to be funded by successor agencies generally, from proceeds of bonds issued during the same period, was vetoed by the Governor on September 29, 2014.

In his veto message, the Governor noted that allowing successor agencies and housing successor agencies to use 2011 bond proceeds would come at the expense of lost property tax revenues to cities, counties, special districts, and school districts which chose not to incur debt during the period leading up to redevelopment dissolution. The Governor also directed the Department of Finance to develop a plan to address the outstanding bond debt associated with bonds issued in 2011 by former redevelopment agencies.

County-opposed AB 2616 (Skinner), which as amended on August 18, 2014, would expand the presumption of job-related injuries to cover hospital employees for methicillin-resistant staphylococcus aureus, a skin infection, was vetoed by the Governor on September 29, 2014.

In his veto message, the Governor noted that the determination that an illness is work-related should be decided by the rules of that system and on the specific facts of each employee's situation. The Governor further noted that while statutory presumptions have steadily expanded for certain public employees, he is not inclined to further this trend or to introduce it into the private sector.

County-opposed SB 388 (Lieu), which as amended on January 17, 2014, would provide that when a public safety officer or firefighter is subject to interrogation, but not formally under investigation, in a matter that may result in punitive action against a public safety officer or firefighter, he/she is entitled to representation, was vetoed by the Governor on September 29, 2014.

In his veto message, the Governor indicated that the need for this bill is unclear, noting that under current law, as soon as an employer learns during an interview that the witness is subject to punitive action, questioning must stop until a representative is provided, if requested by the employee. He added that if this does not happen, any information obtained can be excluded at trial.

County-oppose-unless-amended SB 1129 (Steinberg), which as amended on August 22, 2014, would: 1) authorize a successor agency, if it has received a Finding of Completion from the Department of Finance (DOF), to enter into or amend existing contracts and agreements, or otherwise administer projects in connection with enforceable obligations, if the contract, agreement, or projects will not commit new property tax funds or otherwise adversely affect the flow of tax revenues or payments to

the taxing agencies; 2) include within the definition of "enforceable obligation" an agreement entered into between the redevelopment agency prior to June 30, 2011, if the agreement relates to State highway infrastructure improvements to which the redevelopment agency committed funds; 3) authorize a successor agency to use proceeds from bonds issued during the 2011 calendar year, upon approval of the oversight board, if the use of those bond proceeds is consistent with the sustainable communities strategy adopted by the Metropolitan Planning Organization (MPO); 4) specify that a compensation agreement between taxing entities is not required for the disposition of properties pursuant to a long-range property management plan (LRPMP) and prohibit DOF from requiring compensation agreements as part of the approval of a LRPMP; 5) specify that DOF shall only consider whether the LRPMP makes a good faith effort to inventory all the properties and also addresses the use or disposition of all the properties; and 6) delete the requirement that DOF approve a LRPMP by January 1, 2015, and instead, require DOF to approve the LRPMPs as expeditiously as possible, among other provisions, was vetoed by the Governor on September 29, 2014.

In his veto message, the Governor noted that the provisions of SB 1129 dealt with several separate and distinct redevelopment dissolution issues that must be thoroughly reviewed and discussed among all affected parties. The Governor also indicated his willingness in the next session to refine the redevelopment dissolution statutes in a way that will make them operate more fairly and advantageously for all affected agencies.

We will continue to keep you advised.

WTF:RA
MR:VE:IGEA:lm

c: All Department Heads
Legislative Strategist
Local 721
Coalition of County Unions
California Contract Cities Association
Independent Cities Association
League of California Cities
City Managers Associations
Buddy Program Participants